

## GOVERNANCE & HUMAN RESOURCES COMMITTEE TERMS OF REFERENCE

### 1. PURPOSE

The Governance & Human Resources Committee (the “Committee”) of the Vancouver Island Health Authority (“Island Health”) Board of Directors (the “Board”) assists the Board in review and oversight of the following areas:

#### Strategic Governance

- Multi-Year Strategy, Annual Goals and Plans
- Performance Monitoring
- Enterprise Risk Management
- Medical Staff Workforce Plan

#### Fiduciary Governance

- Board governance
- Board composition and succession planning
- Director orientation and professional development
- Board and director effectiveness and evaluation
- Board code of conduct and conflict of interest
- CEO evaluation, compensation, and succession planning
- Material changes in organizational structure and Senior Leader changes including direct appointments
- Organizational code of conduct and ethics framework
- Human resources planning and policy
- Labour relations developments
- Occupational health and safety policies and reporting

### 2. COMPOSITION AND OPERATIONS

- A. The Committee shall be composed of all members of the Board, each of whom shall be independent of Management.
- B. The majority of Committee members shall be familiar with best practices in corporate governance, human resources, labour relations, occupational health and safety, and have previous relevant board experience.
- C. The Committee shall operate in a manner consistent with the Committee Guidelines outlined in the Board Manual.

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- D. The Committee shall review its Terms of Reference annually to ensure they meet the needs of the Board.
- E. The Committee has delegated authority to pass motions on behalf of the Board. For clarity, the Committee does not have the authority to alter the membership of the Committee. This power remains with the Board.
- F. The Committee shall meet at least five times per year.

**3. DUTIES AND RESPONSIBILITIES**

Subject to the powers and duties of the Board, the Committee will perform the duties listed below.

***Strategic Governance***

**A. Multi-Year Strategy, Annual Goals and Plans**

- i. Review progress against Committee assigned multi-year strategies at each regularly scheduled meeting.
- ii. Monitor employee and medical staff engagement measures and confirm appropriate follow-up is taken by Management.
- iii. Receive information relating to best practices in human resource issues as relevant to the Committee and within the legislative framework.
- iv. Receive and review on a semi-annual basis, a report on human resources performance indicators as prepared by Management.

**B. Performance Monitoring**

- i. Monitor performance measures in relation to Committee assigned multi-year strategies, identify priorities for improvement, and track progress towards achievement.
- ii. Establish new performance measures as required to ensure alignment with targets outlined in the strategic plan.

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**C. Enterprise Risk Management**

- i. Regularly oversee performance on Committee assigned mitigation strategies on high-priority identified enterprise risks, ensuring strategies are embedded into annual plans and priorities reviews noted in subsections 3.(A) (Multi-Year Strategy, Annual Goals and Plans) and (B) (Performance Monitoring) above.

***Fiduciary Governance***

**D. Governance**

- i. Ensure appropriate governance principles, structures and procedures are in place to allow the Board to function effectively.
- ii. Review Island Health’s Board Manual bi-annually, or more frequently as required.
- iii. Review and recommend to the Board, as appropriate, proposed changes to committee Terms of Reference recommended by other committees.
- iv. Ensure there is a system that enables a Committee or Director to engage separate independent counsel in appropriate circumstances, at the Authority’s expense, and be responsible for the ongoing administration of such a system;
- v. Receive the annual budget allowance for Board operations for information.

**E. Board Composition and Succession Planning**

- i. Consider and recommend to the Board, as appropriate, the ideal skills, qualifications, experiences and background required of the Board as a whole based on the short-term and long-term needs of Island Health, any challenges facing Island Health, and the Board’s leadership requirements (“Needs Matrix”).
- ii. Annually review the composition of the Board as a whole and recommend, if necessary, changes to the Needs Matrix.

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- iii. As vacancies arise, review and update the Needs Matrix and compare it to the skills of continuing directors; identify any gaps that should be filled (“Director Recruitment Profile”) and, through the Board Chair, seek Government’s approval of the Director Recruitment Profile.
- iv. Through the Board Chair, provide Government with a performance evaluation for all directors seeking re-appointment.

**F. Orientation and Professional Development**

- i. Create and oversee a comprehensive orientation program for new directors.
- ii. Recommend to the Board an annual professional development program for the Board and as required for individual directors.
- iii. Each director must complete a minimum of four hours of education per calendar year in an areas related to executing their duties as a director.
- iv. Each director is required to complete all mandatory courses outlined in the annual professional development program approved by the Board, subject to course availability.
- v. Each director is encouraged to participate in additional educational sessions based on the director’s needs, the needs of the committees on which he/she serves and the needs of the Board as a whole.
- vi. Educational sessions include courses, forums, workshops, or may be delivered in some other format held by Island Health or an external organization and must be pre-approved by the Board Chair.

**G. Board and Director Evaluation**

- i. Lead the annual review process for evaluating the effectiveness of the Board, committees, the Board Chair, committee Chairs and directors.
- ii. Recommend to the Board, as appropriate, the annual review process for the above areas of evaluation.

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**H. Meeting Evaluation**

- i. Working with the Board Liaison, regularly monitor Board and committees meeting effectiveness and report on feedback to the Board Chair.

**I. Director Code of Conduct and Conflict of Interest**

Ensure that Island Health has a Director Code of Conduct and Conflict of Interest policy in place that ensures each director:

- i. acts at all times in full compliance with both the letter and spirit of all applicable laws and avoids any situation which could be perceived as improper or indicate a casual attitude towards compliance; and
- ii. does not use his/her position with Island Health to pursue or advance his/her personal interests, the interests of related persons or the interests of a person to whom the director owes an obligation, and avoids any situation which may appear to be a conflict that could interfere with the director's judgment in making decisions in Island Health's best interest.

**J. CEO Evaluation**

- i. Review and recommend to the Board, as appropriate, the CEO evaluation process.
- ii. Lead and oversee the implementation of the CEO evaluation process.
- iii. Review and recommend to the Board, as appropriate, the CEO's annual goals.
- iv. Review with the CEO prior to any decision being made, any significant outside personal commitments being considered by the CEO. This includes commitments to act as a director or trustee of for-profit and not-for-profit organizations.

**K. CEO, Senior Leadership and Non-Contract Compensation**

- i. Review and recommend to the Board, as appropriate, the compensation philosophy and guidelines for the CEO using the compensation framework outlined by the Public Sectors Employers' Council (PSEC).

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- ii. Review and recommend to the Board, as appropriate, CEO compensation including salary; benefits; and any other compensation following PSEC's guidelines.
- iii. Ensure the compensation philosophy and guidelines are in keeping with all legislative and government requirements for all non-contract employees which includes reviewing the plan for annual performance increases.

**L. CEO and Senior Leadership Succession Planning and Continuity Planning**

- i. Review and recommend to the Board, as appropriate, a Continuity Plan for senior leadership detailing emergency replacements to deal with a planned or unplanned departure of the CEO and Vice Presidents.
- ii. Annually review the senior leadership talent pool for Vice President positions reporting directly to the CEO and for Executive Director positions reporting to the Vice Presidents prior to presentation of those plans to the Board.

**M. Organizational Structure**

Review any significant changes to organizational structure planned or recommended by the CEO and make recommendations, if appropriate, to the Board.

**N. Organizational Code of Conduct and Ethics Framework**

Periodically review and assist as requested by Management in the development and oversight of an organizational code of conduct and ethics framework.

**O. Human Resource Planning and Policy**

- i. Periodically review Island Health's significant human resources policies for consistency with Island Health's vision, purpose and values as well as change societal norms.
- ii. Receive for information certain matters related to Excluded/Non Contract employees such as material changes to the annual compensation philosophy; new benefit programs or material changes to existing programs; and terms and conditions of employment including, but not

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limited to employment contracts for senior leadership reporting to the CEO.

- iii. Receive for information an annual workforce profile to surface risks and impacts to Human Resource policy and/or programs.
- iv. Review Medical Staff Workforce Plan on the recommendation of the Health Authority Medical Advisory Committee.

**P. Labour Relations**

Receive information and updates relating to current labour relations matters.

**Q. WorkSafe BC**

Receive and review a report on WorkSafe BC compliance and ensure any and all necessary actions have been taken to address any penalties and Compliance Agreements.

**4. ACCOUNTABILITY**

The Committee shall report its discussions to the Board by maintaining minutes of its meetings and provide a detailed written report including any recommendations for approval at the next Board meeting.

**5. COMMITTEE CALENDAR**

The Committee's workplan of activities is outlined in an annual planning calendar.